



Callie Gale Heilmann President & Co-Director Bridgeport Generation Now, Bridgeport, CT

Support for House Bill 5673: AN ACT CONCERNING THE REFORMATION OF CERTAIN TAXES AND TAX EQUITY

Good afternoon Senator Fonfara, Representative Horn, and the distinguished members of the Finance, Revenue and Bonding Committee:

My name is Callie Gale Heilmann, I live in Bridgeport, CT, I am the President & Co-Director Bridgeport Generation Now, a grassroots organization working to strengthen civic engagement - and a member of Recovery For All, a statewide coalition of faith, community, and labor organizations united to eliminate systemic inequalities and rebuild a better Connecticut.

I am testifying on behalf of our membership in strong support of HB 5673. Economic relief - and the recovery we need - is more than tax cuts. The Governor's budget does not go far enough to ensure equitable distribution of our residents' tax dollars. We must pass progressive revenue so that we can sustainably and equitably fund the public services that the families of our state, and our children, need and deserve.

For the past 6 years, members of Gen Now have testified at every single municipal budget meeting advocating for more money for our public schools and for special education, from our state and city government. We've testified at zoning commission hearings to try and protect green space. We testified at contracts committee meetings to try to get affordable housing set aside in new development. We've lobbied for city-run mobile crisis intervention teams and more mental health and addiction support services. We've advocated for equitable ARP and COVID relief budgets. We do this work because it strengthens our community, we do it in service to those elders who came before us, and for our children who deserve a better future.

But why is it that Bridgeport - a city of 18 square miles, that is 70% Black and brown residents - is seemingly perpetually burdened with high property taxes, underfunded schools, high costs of housing, concentrated poverty, community gun violence, police violence, pollution, and other social injustices?

To answer this question, you either have to believe that the people of Bridgeport "get what they deserve" that it's somehow our fault, or reflective of our moral character - or you understand the truth. That our systems through laws and policies were designed this way, by approving economic practices that reinforce economic gains, inherited wealth, and opportunities for certain folks - predominantly white, high-wealth communities - at the expense of our working class communities of color.

And if you understand that through policy and law it was designed this way - then you understand that it can be **re-designed** to create different outcomes. HB 5673 is a bill that starts to reimagine our finances towards a more moral, more just future.

It is no secret that Connecticut's extreme inequality is a <u>major obstacle</u> to sustainable, inclusive economic growth.

The 2014 state tax incidence analysis showed that the bottom 50% of Connecticut taxpayers contribute 23.6% of their income, whereas those in the top 1% contribute a mere 7.5%. That top 1% has continued to do very well since 2014. And yet the disparity has only gotten worse. According to a 2022 CT Voices overview of the updated report, working people contributed more than 25% of their annual income, whereas the most wealthy among us contribute only 6%.

We must all contribute at equitable rates to fund schools, higher education, infrastructure, healthcare programs, and other vital public services upon which we all rely. HB 5673 would ask high income earners to share the responsibility of building a strong economy. We must join together to create a sustainable economy, and we can't do it alone on federal funds that will soon expire. The unmet need is too great.

In addition, we should be asking corporations to do more to build back our state's economy - not by protecting them from tax increases but by showing how raising the corporate tax will contribute to strong economic growth. Just recently, Lego announced it was yet another long-time Connecticut corporation, like G.E., moving its headquarters to Boston. Boston is a very expensive city, and the state of Massachusetts passed progressive revenue last year. But Boston is a city that has benefited from robust state investment in infrastructure, roads, innovation, technology, and more. Connecticut is simply not competitive right now because corporations looking to attract talent know we don't invest nearly enough in our cities and our public education systems - the cornerstones of a thriving economy.

In closing, I would like to add that on a personal note, I am a high-wealth individual, both owning a high-value home in the Black Rock neighborhood of Bridgeport - and my husband's earnings come from the financial sector. We would most likely be affected by HB 5673. Although I pay one of the highest mill rates in our state, I would happily pay 2 mills more if it meant the state was going to take seriously the problem of racial and economic segregation and the chronic underfunding of our public schools. I'm the third generation in my family to graduate from Hartford public high school, a child of Sheff v O'Niell, and I know the amount of money, effort, visionary leadership, and resources it is going to take to undo this morally repugnant system.

We can think of passing HB 5673 as investing in our communities - Connecticut's Black, brown, low-income, and working class communities - as funding our future. It is one tool towards creating a vibrant Connecticut where everyone can thrive. The path we're currently on is unsustainable. I urge you to pass HB 5673, our humanity is bound together.

Thank you for your continued leadership and commitment,

Callie Gale Heilmann Bridgeport Generation Now